

TIMBER NOTICE OF SALE

SALE NAME: Honey Potts Log Sorts AGREEMENT NO: 30-079845 - 30-079856

AUCTION: September 25, 2006, starting at 10:00 a.m., COUNTY: Skagit
Northwest Region Office, Sedro Woolley , WA.

SALE LOCATION: Sale located approximately 10 miles east of Sedro Woolley.

PRODUCTS SOLD
AND SALE AREA: All products sold on a delivered log sort basis. All logs from timber, except trees marked with blue paint at DBH and root collar and trees tagged out with yellow leave tree tags, meeting the specifications described below, bounded by: white timber sale boundary tags, property lines and the DL-ML Road, in Unit #1; white timber sale boundary tags, property lines, adjacent plantations, and the DL-36 Road, in Unit #2; and orange right of way tags in the right of way; on part(s) of Section(s) 3, 4, 9, Township 34 North, Range 6, W.M., Skagit County , containing 91 acres, more or less.

MINIMUM BID AND ESTIMATED LOG SORT VOLUMES:

Agreement #	Sort #	Species and Sort Specifications	Average Log Length	Estimated Volume		Minimum Bid Delivered Prices		Total Appraised Value	Bid Deposit
				mbf	Tons	\$/mbf	\$/Ton		
30-078945	1	DF Poles 35' +	N/A	41	246	\$824.20	-----	\$33,800.00	\$3,380.00
30-078946	2	DF 12" + dib, 7 + rings/inch, well scattered knots up to 1 ½", 2 nd cuts possible	35	531	2,708	\$630.14	-----	\$334,600.00	\$33,460.00
30-078947	3	DF 27" + large end. Saw	35	298	1,550	\$524.72 Biddable	-----	\$156,400.00	\$16,560.00
		WW 27" + large end. Saw	35	27	130	\$342.22 Fixed	-----	\$9,200.00	
30-078948	4	DF 8" dib to 26" large end. Saw	33	841	5,551	\$507.63	-----	\$426,900.00	\$42,690.00
30-078949	5	DF 5" dib to 7" dib. Saw	N/A	83	647	-----	\$63.68	\$41,200.00	\$4,120.00
30-078950	6	WW 8" dib to 26" large end. Saw	35	798	4,788	\$372.74	-----	\$297,400.00	\$29,740.00
30-078951	7	WW 5" dib to 7" dib. Saw	N/A	93	721	-----	\$37.82	\$27,300.00	\$2,730.00
30-078952	8	RC Poles 35' +	N/A	149	864	\$919.70	-----	\$137,000.00	\$13,700.00
30-078953	9	RC 5" + dib. Saw	30	510	3,009	\$698.14	-----	\$356,100.00	\$35,610.00
30-078954	10	RA 8" + dib. Saw	29	261	2,176	\$595.41	-----	\$155,400.00	\$15,540.00
30-078955	11	Conifer 4" + dib Utility	N/A	20	180	-----	\$19.76	\$3,600.00	\$360.00
30-078956	12	RA, CW, MA 4" + dib Utility	N/A	82	672	-----	\$19.76	\$13,300.00	\$1,330.00
Totals				3,734	23,242			\$1,978,900.00	

BID METHOD: Sealed Bids UNIT OF MEASURE: MBF scale/Tonnage scale

EXPIRATION DATE: July 31, 2007 ALLOCATION: Export Restricted

PAYMENT
SECURITY: To be determined by the State as described in Clause P-041 of the Purchaser's Contract.

BIDDING
PROCEDURES: A separate sealed bid and envelope must be submitted for each log sort. Prospective Purchasers may bid on any or all log sorts. On the day of sale the Purchaser must bring their bid deposit up to 10% of their total bid price. Complete bidding procedures and auction

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information may be obtained from the [Northwest](#) Region Office in [Sedro Woolley](#), WA.
Phone number [360-856-3500](#).

HARVEST AND

DELIVERY COSTS: Purchaser must pay the forest excise taxes associated with the log sorts delivered to them. The tax rate for this sale is 4.2%. Taxable Stumpage = Total Delivered Value – (Harvest Cost + Haul Cost + ARRF). Use the following rates for estimating taxable stumpage: Harvest Cost = tons([\\$14.70](#) , [\\$19.70](#) for poles, [\\$6.00](#) for utility). Haul Cost = (tons)(\$2.63 or \$3.63 poles) + tons(\$0.16x C miles) + tons(\$0.14 x A miles)). ARRF = \$22.25/mbf.

SPECIAL REMARKS: The successful Purchaser(s) will be required to purchase logs from the sale area upon delivery to their location specified in the bid submitted. Logs will be delivered to the Purchaser's delivery location by the State's contract harvester. Purchaser is responsible for weighing and scaling costs. All mbf and tonnage loads will be weighed and all mbf loads will be scaled at State approved scaling locations. The State reserves the right to determine where logs are authorized to be scaled and weighed.

For more information regarding this log sort sale visit our web site:
<http://www.dnr.wa.gov/htdocs/fr/sales/>. If you have questions call [Theresa Klepl](#) at the [Northwest](#) Region office at [360-403-7678](#) or [Mike Chandler](#) at the Product Sales and Leasing Division Office in Olympia at [360-902-1738](#).

CONFIRMATION: Each sort is subject to confirmation following auction. No sorts will be confirmed until at least 10 days after all sorts are successfully auctioned.